

# COLLEGE SAVINGS

## PLANS OF MARYLAND

*Save here. Go anywhere.*

### 2009 Summer Newsletter

**Flip-flops...check...  
sunscreen...check....  
college savings...check.**

Whether you're planning a vacation or a staycation, summer is the perfect time to kick back, have fun, and catch up on all the stuff we don't have time to do during the rest of the year. But don't forget the most essential item on your list: saving for your child's education. The next time you're relaxing in your hammock or lounging on your deck, bring your laptop and surf our Web site **collegesavingsmd.org**. Learn more about our two flexible and affordable 529 plans: The Maryland Prepaid College Trust and Maryland College Investment Plan. Enroll online. Or if you already have a plan, review the options you've currently chosen. Do it all in less time than it takes to drag the kids out of the pool.



**You asked about our plans. We give the straight answers.**

#### Maryland College Investment Plan (MCIP)

**Q: How do I contribute automatically?**

An easy one right off the bat! If you're creating a new account on our Web site, there will be an option to add an automatic monthly contribution to your account during the "open an account" process. If you have an existing account, just complete an [Account Maintenance Form](#) or mail a letter of instruction.

**Q: How do I change my automatic contributions?**

There are three ways to make changes at any time: log in to your account on our Web site, call **1-888-4MD-GRAD** to speak with a service representative, or submit your changes in writing by sending either the [Account Maintenance Form](#) or a letter of instruction.

**Q: Am I contributing enough to meet my child's future college costs?**

College costs continue to rise, we know that. To get a better idea of how well you are meeting your savings goals, use our College Cost Calculator located on our Web site. It will also help you assess the long-term impact of investing at various levels.

**Q: Can I also make a one-time contribution online?**

Absolutely. Just keep in mind that the minimum amount required to open an account is \$250 and the minimum for additional purchases into an existing account is \$25. Additionally, you can contribute up to a maximum account balance of \$320,000.

**Q: How have my investment options performed recently?**

Check out the "Investment Performance" section on our Web site. We update the information every business day.

**Q: What if I'm not satisfied with the investment options I selected?**

We understand that you might need to adjust your portfolio, especially as your child nears college age. The Maryland College Investment Plan has a variety of investment options and if you would like to make a change you can do so twice per Beneficiary during calendar year 2009. For detailed instructions visit the "Maintaining Your Account" section on our Web site.

## Maryland Prepaid College Trust (MPCT)

### Q: What if I have a newborn or I want to purchase additional years?

Open enrollment is not scheduled to open again until approximately December 1, 2009. But here's the good news. Newborns under one year of age can be enrolled anytime at prices in effect at the time of their enrollment. If you already have an account for a child, you may purchase additional semesters or years at current prices – up to a maximum of 7 years (with no more than 5 years on a single account).

### Q: What about additional college costs (like books, room and board, etc.) typically not covered by the Prepaid College Trust?

Consider opening a Maryland College Investment Plan account for as little as \$25 per month. That's right, you can be enrolled in both plans and be eligible for a Maryland State income deduction, in each plan!



### Q: Can I use my plan at colleges nationwide?

Yes, you can use the Prepaid College Trust at nearly any college in the country. About one-half of our students attend Maryland public and private 2- and 4-year colleges. The other half fly the coop and go everywhere from Maine to Hawaii. In those cases the Prepaid College Trust can be applied toward tuition and mandatory fees.

### Q: How do I know this plan has enough funds to pay for tuition down the road?

Even with the severe downturn in investment markets over the past year, as of December 31, 2008, our most recent actuarial assessment indicates that we have sufficient funds to pay projected future tuition benefits for more than the next 17 years. Our next report will be conducted this June and the results will be released in the fall.

Want more answers? Check out the FAQ section at [collegesavingsmd.org](http://collegesavingsmd.org).

## For Maryland State employees, saving for college comes automatically.

Maryland State workers now have the option to save for their children's college education by automatically deducting contributions from their paychecks. The new initiative is especially helpful for families who have felt the pinch of our current economy and are seeking new ways to save. As a state employee, you can elect to contribute to either or both the Maryland Prepaid College Trust, which locks in tomorrow's tuition at today's prices, and now the Maryland College Investment Plan, managed by T. Rowe Price. It's easy. And what's more, both plans offer great tax benefits to Maryland residents. To sign up for the payroll deduction option, visit the Comptroller's Web site at [marylandtaxes.com](http://marylandtaxes.com) or go to [collegesavingsmd.org](http://collegesavingsmd.org) to enroll today.



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**[collegesavingsmd.org](http://collegesavingsmd.org) • 1-888-4MD-GRAD**

*Please carefully read the Enrollment Kit which describes the investment objectives, risks, expenses and other important information that you should consider before you invest in the College Savings Plans of Maryland. The Enrollment Kit is available online or by calling 1-888-4MD-GRAD. Also, if you or your beneficiary live outside of Maryland, you should consider before investing whether your state or your beneficiary's state offers state tax or other benefits for investing in its 529 plan.*

*College Savings Plans of Maryland, Administrator and Issuer.*

*T. Rowe Price Associates, Inc., Program Manager and Investment Advisor, Maryland College Investment Plan.*

*T. Rowe Price Investment Services, Inc., Distributor/Underwriter, Maryland College Investment Plan.*